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Integrated midterm review and progress report on implementation of the UNFPA strategic plan, 2014-2017

Report of the Executive Director

Summary

This report contains the midterm review of and progress report on the UNFPA strategic plan, 2014-2017, in accordance with Executive Board decision 2013/31. The report assesses the changing development environment and the validity of the UNFPA strategic plan; reviews the cumulative progress of the implementation of the plan during its first two years (2014-2015); and proposes necessary adjustments. The review also addresses the progress achieved in implementing General Assembly resolution 67/226 on the quadrennial comprehensive policy review of operational activities for development of the United Nations system. UNFPA conducted a broad consultative process for the review, using internal and external resources, and undertook it in collaboration with other United Nations organizations.

The review concludes that the UNFPA strategic plan, 2014-2017, has positioned the organization well in supporting Member States and that UNFPA is "fit for purpose" in implementing the 2030 Agenda for Sustainable Development. The review confirms the strategic focus of UNFPA and that the strategic plan has strengthened the organization's focus and priorities, enabling it to achieve results in development as well as in organizational effectiveness and efficiency. It proposes minor adjustments to better align the strategic plan with the 2030 Agenda during the remaining period of the plan (2016-2017), and enable UNFPA to respond to the changing development environment, specifically in the humanitarian field.

Elements of a decision are contained in section V of the report.

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I. Introduction

1. UNFPA submits this midterm review of its strategic plan, 2014-2017, in accordance with Executive Board decision 2013/31. The decision requested UNFPA to "take into consideration the results of the discussions of the United Nations post-2015 development agenda as well as the review of the International Conference on Population and Development". The review also takes into account the broader development context.

2. In addition, the Executive Board requested UNFPA to review the categorization of countries in the light of updates in data as part of the midterm review and to reassess the classification of a particular country in the event that it informs UNFPA of a potential error (paragraph 15, Executive Board decision 2013/31). UNFPA also undertook a review of its global and regional interventions, in accordance with the strategic framework for UNFPA global and regional interventions (DP/FPA/2014/8), which the Board approved in decision 2014/16. All of these requirements are addressed as part of the present submission. The midterm review of the integrated budget, 2014-2017 (DP/FPA/2016/3), which provides the updated financial framework for 2014-2017, complements this report.

3. The midterm review consisted of a desk study of documents, including discussion papers commissioned to inform the review, evaluations and audit findings. In addition, UNFPA conducted internal and external consultations through informal briefings with the Executive Board; established an internal reference group; conducted in-depth interviews at headquarters and in the field; and created an online platform to solicit feedback and reflections from offices. The review was conducted in coordination with other funds and programmes of the United Nations – UNDP; the United Nations Children's Fund (UNICEF); the United Nations Entity for Gender Equality and the Empowerment of Women (UN-Women); and the United Nations World Food Programme – to ensure coherent approaches and share lessons learned.

4. The midterm review does not constitute a new strategic plan. It reflects on the progress made to achieve the strategic plan results; analyses implementation gaps; and assesses the soundness of the strategic plan in the changing development context. The review suggests that minor adjustments should be made to the integrated results framework, based on experience in implementing the strategic plan and on changes in available resources. The adjustments proposed as part of this midterm review will be effected as of 1 January 2017, unless otherwise noted.

II. Global context

5. The past two years have seen marked changes in the global development landscape; these have created opportunities and challenges for UNFPA. In 2014, the global review of the Programme of Action of the International Conference on Population and Development (ICPD) was successfully concluded, with the General Assembly taking note of the review contained in the Framework of Actions for the follow-up to the ICPD Programme of Action Beyond 2014. The year 2015 marked the end of the Millennium Development Goals and heralded the adoption of the 2030 Agenda for Sustainable Development. The Addis Ababa Action Agenda of the Third International Conference on Financing for Development laid the basis for implementing the new Sustainable Development Goals through measures to overhaul global finance practices and generate investments to tackle economic, social and environmental challenges.

6. Between 1990 and 2015, the number of people living in extreme poverty declined by more than half; contraceptive prevalence increased from 55 per cent to 64 per cent; births assisted by skilled health personnel increased from 59 per cent to 71 per cent; and the maternal mortality ratio declined by 44 per cent.

7. However, income inequalities widened, especially in countries that were transitioning from low to middle-income countries. The target of reducing maternal mortality by 75 per cent was not met, and child marriage and adolescent pregnancy remain high. In 2015, more than one in five adolescents were married or in union, and 15.3 million adolescents were expected to give birth.

8. In 2015, humanitarian crises escalated in scope and complexity, stretching response efforts and exerting pressure on dwindling aid resources. The world witnessed the largest forced displacement of people since World War II; as a consequence, 60 per cent of preventable maternal deaths now take place in settings of conflict, displacement and natural disasters.

9. Official development assistance decreased in 2013 and 2014. The proportion of this assistance to population activities declined, from almost 8 per cent to 6 per cent. Uneven global economic growth and economic decline in emerging markets, combined with the strengthening of the United States dollar against most major currencies, contributed to a decrease in resources.

10. Climate change, especially in the Sahel region and in parts of Asia and the Pacific, is destroying livelihoods, worsening poverty, compelling people to relocate, and compounding the vicious cycle of poverty and vulnerability. The intrinsic link between poverty and vulnerability to crises has made the separation of humanitarian and development activities unacceptable. The adoption of the Sendai Framework for Disaster Risk Reduction 2015-2030, and the Paris Agreement on climate change pave the way for a greater focus and commitment to tackle natural and man-made hazards and their environmental, technological and biological impacts.

III. Midterm progress and key challenges

A. Summary of key results and challenges

11. This section assesses the cumulative progress made towards the midterm strategic plan targets, based on two levels: (a) the 2014 to 2015 trends of the *outcome* indicators of the strategic plan; and (b) achievement of the strategic plan *outputs*, including the global and regional interventions. To assess progress, a comparison was made between the indicator values achieved in 2015 versus the 2015 targets. The achievement of an output is measured by the average achievement of its indicator targets.

12. This section also reviews the performance of tools and mechanisms put in place to support the implementation of the strategic plan. UNFPA has made strong progress in implementing the strategic plan. At the outcome level, 16 of 20 indicators showed expected trends. Details of the outcome trends are discussed under each of the respective outcome sections. UNFPA contributes to these trends by achieving results at the strategic plan output level. Box 1 below highlights some of the key achievements attained from the strategic plan outputs.

Box 1: Key achievements in 2014-2015

Development

- Estimated impact of procurement and of expanding access to contraceptives: 53 million additional users accessing modern family planning methods; 78 million couples protected for one year from unwanted pregnancies; 23 million unintended pregnancies and 7 million unsafe abortions prevented; and 63,342 maternal deaths averted.
- 23 million adolescents benefited from integrated sexual and reproductive health services.
- 23,579 fistula repair surgeries were supported.
- 2,920 communities publicly declared the abandonment of female genital mutilation.
- Over 10.6 million women and girls in humanitarian crises benefited from sexual and reproductive health services and gender-based violence prevention services.
- The ICPD review concluded and culminated in the Framework of Actions for the follow-up to the Programme of Action of the ICPD Beyond 2014.
- Evidence furnished to enable the integration of the ICPD agenda, including the demographic dividend, into the 2030 Agenda for Sustainable Development.

Organizational effectiveness and efficiency

- UNFPA programme data published on the International Aid Transparency Initiative.
- Enterprise risk management initiated.
- Unqualified audit opinion obtained in 2014 and in 2015.
- Programming system to systematize results-based management launched.
- Independent evaluation office established.
- United Nations harmonization embraced: 113 UNFPA country offices with at least one common service; 28 with all common services.

13. At the output level, UNFPA was able to achieve strong results and fulfil its commitments. Of the 15 development outputs, UNFPA fully achieved midterm targets for nine outputs (see figure 1). It achieved targets by 60-99 per cent for five outputs. Only one output showed an achievement of less than 60 per cent (see annex 2, UNFPA strategic plan score card and indicator updates). With regard to organizational effectiveness and efficiency, UNFPA demonstrated equally good results, as shown in table 5. With regard to the global and regional interventions, 87 per cent of the outputs were fully achieved; 13 per cent achieved 60-99 per cent; and no outputs achieved less than 60 per cent (see annex 4, global and regional interventions).

Figure 1. Achievement of strategic plan outputs, 2014-2015

▪ 100 per cent and above ▪ 60-99 per cent ▪ Below 60 per cent

Source: Country office annual reports, 2014-2015

14. The reasons for not fully achieving the six outputs include: (a) the need to adapt to a change in national priorities; (b) the need to subsequently postpone planned activities; (c) budget cuts; (d) limited national capacity; (e) cultural sensitivity; and (f) humanitarian situations (see figure 2). The lack of funding was a primary reason for the limited progress (below 60 per cent) in achieving the output on strengthening capacity for data analysis.

Figure 2. Types of challenges cited by country offices

▪ Change in national priorities
▪ Postponed planned activities
▪ Budget cuts
▪ Limited national capacity
▪ Cultural sensitivity
▪ Humanitarian situations
▪ Other

Source: Country office annual reports, 2014-2015

15. With regard to mechanisms and tools, UNFPA developed an integrated results framework (DP/FPA/2013/12, annex 1) as one of the key tools to support the implementation of the strategic plan. This tool performed well and strengthened results-based management in UNFPA. A review undertaken in 2014 by the Multilateral Organisation Performance Assessment Network found that "UNFPA has improved its management for results at both organisational and country levels. It has implemented efforts to instil a results-oriented culture at the organisational level through refocusing the strategic direction (bull's eye) and adopting a robust integrated results framework and outcome theories of change."

16. The new business model, introduced to increase focus and apply different modes of engagement to a country depending on the country's needs and its ability to fund its needs, was implemented and it progressed as planned. Country programmes gradually aligned to this model. Internal assessments conducted in 2015 found that 98 per cent of ongoing country programmes were satisfactorily aligned to the model, and all 29 country programmes developed in 2015 were satisfactorily aligned (see annex 6: Alignment to the UNFPA strategic plan, progress as of 2015).

17. UNFPA has sharpened its focus. It no longer tries to address all outcomes and outputs in every country programme. Forty per cent of country programmes work on a maximum of three of the four strategic plan outcomes; the country programmes developed in 2015 concentrate their efforts, on average, on four out of the 15 strategic plan outputs.

B. Results in detail

Outcome 1: Increased availability and use of integrated sexual and reproductive health services (including family planning, maternal health and HIV) that are gender-responsive and meet human rights standards for quality of care and equity in access

18. The outcome indicators for increasing the availability and use of sexual and reproductive health services showed mostly positive trends. Births attended by skilled providers and the availability at service-delivery points of life-saving medicines from the priority list of the World Health Organization (WHO) increased. The number of countries that increased their budget allocations to sexual and reproductive health services and the commitment of regional bodies to sexual and reproductive health services increased.

19. However, contraceptive use and condom use among people with more than one partner hardly changed, even though annual increases of 3.2 per cent and 1.7 per cent in contraceptive prevalence were reported in East and Southern Africa and in West and Central Africa, respectively. The proportion of countries not experiencing contraceptive stock-outs showed mixed trends, increasing in 2014 but declining in 2015.

20. At the output level, the targets regarding family planning and maternal health services were fully achieved (table 1). The targets for national functional logistical management information systems, demand generation for family planning, national midwifery workforce policies, maternal death surveillance systems and fistula repair surgeries were also met. The target for using emergency obstetric and neonatal care assessments to inform maternal and newborn health services was not met, partly because of financial constraints.

Table 1. Scorecard for outcome 1

Output	Performance in 2014-2015
Increased national capacity to:	
1. Deliver integrated sexual and reproductive health services	● (Orange)
2. Strengthen enabling environments; increase demand for and supply of modern contraceptives; and improve quality of family planning services	● (Green)
3. Deliver comprehensive maternal health services	● (Green)
4. Deliver HIV programmes	● (Orange)
5. Provide sexual and reproductive health services in humanitarian settings	● (Green)
Expenses: $1,001.5 million (61.9 per cent of programme expenses; 52.7 per cent of total expenses)	

Output achievement: Green = 100 per cent and above; Orange = 60 per cent to 99 per cent; Red = below 60 per cent. (Legend applies to tables 1-5).

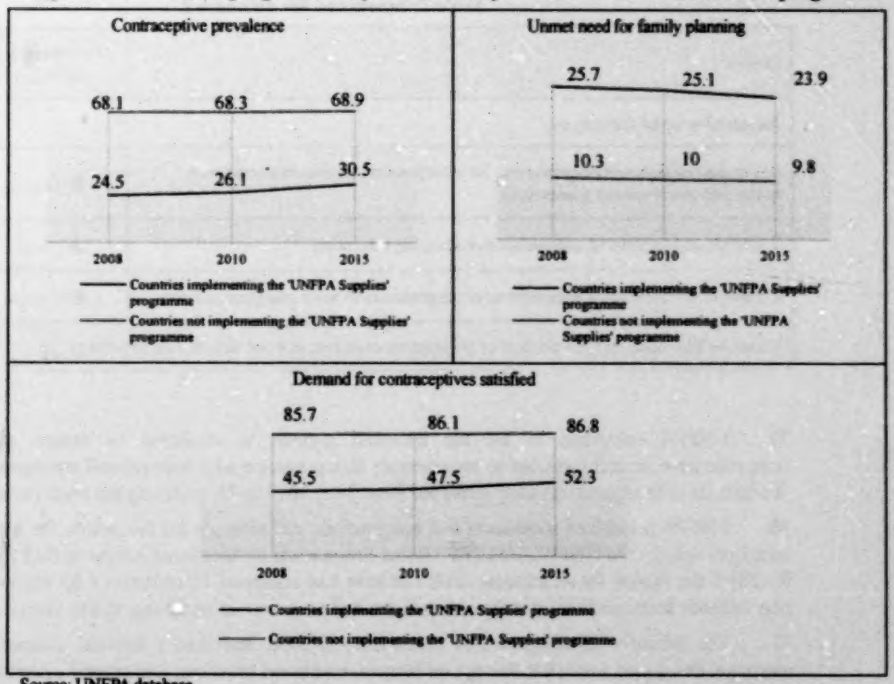
21. Output targets for increasing access to integrated services and for strengthening the delivery of HIV programmes were partially met. Fifty-five countries, instead of 69, reached the implementation stage of the 10-step approach to condom programming, mainly due to changed priorities. Eighty-one countries (target 95) had a costed, integrated sexual and reproductive health action plan. The target was not met primarily due to reduced resources and postponements.

22. UNFPA-supported tools were crucial for achieving these outputs. For example, the statistical model for estimating the number of women with fistula and the 'One Health' costing tool used to cost health plans were instrumental and used by countries such as Kenya to leverage resources. UNFPA-supported approaches, such as the engagement of community leaders, proved to be critical for increasing the demand for family planning in countries such as Niger and Nigeria.

23. UNFPA scaled up its humanitarian work and reached 10.6 million women and girls with sexual and reproductive health services and gender-based violence services. By 2015, 57 priority countries had the capacity to implement the minimum initial service package. Fifty-nine countries had humanitarian contingency plans that included sexual and reproductive health and services for survivors of gender-based violence. UNFPA enhanced its leadership role and affirmed its global position in humanitarian work. As a result, it attracted more funding for sexual and reproductive health services and services to prevent gender-based violence in humanitarian situations (see annex 5: Humanitarian action and resilience-building update).

24. Data suggest that UNFPA interventions contribute to improving trends in the strategic plan outcomes (figure 3). In countries with intensified UNFPA interventions in family planning (the 'UNFPA Supplies' programme, starting in 2007), there was an accelerated increase, beginning in 2010, in the use of family planning, compared to the increase in countries without intensified interventions.

Figure 3. Accelerated progress on key indicators, by existence of UNFPA thematic programme



Source: UNFPA database

25. Evaluation findings corroborate the effectiveness of family planning interventions. Programme evaluations in Afghanistan, Cambodia and Tajikistan reported an association between UNFPA

interventions and increased access to sexual and reproductive health services and reproductive rights (see annex 3, country results and case studies to illustrate theories of change).

26. Challenges for outcome 1 reported by country offices include: (a) difficulties in implementation and monitoring of existing sexual and reproductive health policies and guidelines; (b) cultural barriers and fear of perceived side effects in using family planning; (c) inadequate allocation of national resources for contraceptive procurement and supply-chain management; and (d) a shortage of skilled human resources, particularly midwives. These factors are informing and shaping workplans.

Outcome 2: Increased priority on adolescents, especially on very young adolescent girls, in national development policies and programmes, particularly increased availability of comprehensive sexuality education and sexual and reproductive health services

27. The period 2014-2015 witnessed progress in integrating adolescent and youth priorities into development frameworks. Adolescent and youth issues, including the demographic dividend, were reflected in the 2030 Agenda for Sustainable Development and in the Framework of Actions for the follow-up to the ICPD Programme of Action Beyond 2014. The Security Council adopted the historic resolution 2250 (2015) on youth, peace and security. The number of countries with laws that enable youth to exercise their rights and fulfil their needs for sexual and reproductive health services increased to 89, exceeding the strategic plan midterm target of 78.

28. UNFPA made good progress towards achieving the outputs under outcome 2 (see table 2); one output fully achieved and the other two narrowly missed. National capacity for conducting evidence-based advocacy was increased by supporting the establishment of platforms that advocate prioritizing adolescent and youth issues, especially those of marginalized groups, into national policies and plans. Ninety-four countries, versus a midterm target of 93 countries, had such platforms. UNFPA advocated allowing adolescents and youth to have access to sexual and reproductive health counselling and HIV services in 56 countries, narrowly missing the midterm target of 59.

Table 2: Scorecard for outcome 2

Output	Performance in 2014-2015
Increased national capacity to:	
6. Conduct evidence-based advocacy for incorporating adolescents and youth issues into development frameworks	● (Orange)
7. Design and implement comprehensive sexuality education	● (Green)
8. Design and implement comprehensive programmes to reach marginalized girls	● (Orange)
Expenses $121 million (7.5 per cent of programme expenses; 6.4 per cent of total expenses)	

29. UNFPA continued to provide technical support to countries to design and implement comprehensive sexuality education programmes in accordance with international standards. The number of countries with aligned curricula increased from 39 in 2013 to 73, matching the midterm target.

30. UNFPA prioritized adolescent and marginalized girl through: (a) the Action for Adolescent Girls Initiative; and (b) the UNFPA-UNICEF Global Programme to Accelerate Action to End Child Marriage. By 2015, the Action for Adolescent Girls Initiative had equipped 15 countries with the technical know-how to better focus adolescent and youth policies and programmes on young, at-risk female populations.

31. The Initiative achieved several milestones. Ethiopia launched a national alliance to end child marriage; developed a national strategy on harmful traditional practices; and created a national action plan on female genital mutilation, child marriage and abduction in order to halt these practices by 2025. In Niger, the Initiative provided 8,912 girls in communities that have a high prevalence of child marriage with an eight-month programme to strengthen their health and their social and economic assets. The

Initiative reached more than 21,000 girls in India. By 2015, 50 countries (from a target of 52) had implemented health, social and economic asset-building programmes that help adolescent girls at risk of child marriage.

32. UNFPA must continue to invest in programmes that help marginalized girls. This is reinforced by the findings of the UNFPA comprehensive sexuality education evaluation, which found that young girls, especially the most marginalized, are often 'invisible', and not reflected in surveys or statistics. They live in families on the margins of society and subsist on less than one or two dollars a day.

33. A recurrent challenge for youth and adolescent programmes is the discordance between policies and norms. Policies may change, but harmful practices remain if norms have not changed.

Outcome 3: Advanced gender equality, women's and girls' empowerment, and reproductive rights, including for the most vulnerable and marginalized women, adolescents and youth

34. UNFPA continued its advocacy and policy guidance work at global, regional and country levels to support and advance gender equality and the empowerment of women and girls. UNFPA provided evidence that informed the post-2015 development framework dialogues, which reaffirmed gender equality and the empowerment of women and girls as one of the 17 Sustainable Development Goals.

35. Trends in gender equality steadily progressed. The percentage of women who thought it justifiable for a husband or partner to hit his wife fell from 47 per cent in 2013 to 41 per cent in 2015. At the national level, the number of countries with a budget allocation for a gender equality action plan integrating reproductive rights increased to 71, exceeding the expected number of 62.

36. UNFPA fully achieved the midterm targets for two of the three outputs through which it contributes to gender equality (see table 3).

Table 3: Scorecard for outcome 3

Output	Performance in 2014-2015
9. International and national protection systems for advancing reproductive rights	● (Orange)
10. Capacity to prevent gender-based violence and harmful practices	● (Green)
11. Engagement of civil society organizations	● (Green)
Expenses: $ 209.2 million (12.9 per cent of programme expenses; 11.0 of total expenses)	

37. To strengthen national protection systems (output 9), UNFPA worked with national human rights institutions in 10 countries to conduct inquiries on sexual and reproductive health and reproductive rights through human rights 'lenses', rather than merely through a public health approach. UNFPA supported national systems for tracking and reporting on the implementation of reproductive rights recommendations and obligations. Fifty-four countries have functional tracking systems. However, UNFPA did not meet the target of 66 countries with functional tracking systems, due to budget cuts and changes in priorities.

38. UNFPA made progress in strengthening the capacity of civil society to support gender equality. UNFPA strengthened the capacity of civil society organizations in 43 countries to institutionalize the engagement of men and boys in the campaign for gender equality.

39. With regard to gender-based violence and harmful practices, UNFPA continued to implement the UNFPA-UNICEF joint programme on female genital mutilation/cutting, which focuses on 17 countries. By 2015, all of these countries had policies to denounce female genital mutilation, and 13 of them have criminalized this practice. Furthermore, 2,920 communities in these countries declared the abandonment of female genital mutilation, exceeding the target of 2,000.

40. UNFPA worked in 13 countries, in the Asia-Pacific region to conduct national violence against women prevalence studies; and with UN-Women, co-led five United Nations organizations in developing

the essential services guidelines of the United Nations Joint Global Programme on Essential Services for Women and Girls Subject to Violence.

41. Challenges experienced in gender equality work included inadequate capacity in countries, suboptimal use of existing data to inform policy, and poor follow-up on policy implementation.

Outcome 4: Strengthened national policies and international development agendas through integration of evidence-based analysis on population dynamics and their links to sustainable development, sexual and reproductive health and reproductive rights, HIV and gender equality

42. UNFPA produced and supported the generation of evidence-based research and analysis, including analyses on the demographic dividend, to support the incorporation of population dynamics into national, regional and global development frameworks. UNFPA published evidence-based reports that informed dialogues that ensured the integration of ICPD issues into the Sustainable Development Goals. UNFPA supported 30 countries in conducting demographic dividend analyses; many of these countries have begun the process of integrating the demographic dividend into their 2030 Agenda-related development frameworks.

43. The majority of outcome indicators on the availability of national population data showed positive trends. The number of countries with a census that met internationally agreed quality recommendations and those that completed evaluations in sexual and reproductive health increased. The number of countries with national household surveys that can support the estimation of key population and sexual and reproductive health indicators also increased, but fell short of the expected figure (89, versus the target of 95). At the output level, UNFPA fully achieved the midterm targets for three of the four outputs.

Table 4: Scorecard for outcome 4

Output	Performance in 2014-2015
12. Strengthened national capacity for production and dissemination of quality disaggregated data	● (Green)
13. Increased availability of evidence through cutting-edge in-depth analyses	● (Green)
14. Strengthened capacity for the formulation and implementation of rights-based policies	● (Red)
15. Strengthened national capacity for using data and evidence to monitor and evaluate national policies	● (Green)
Expenses: $ 245.3 million (15.2 per cent of programme expenses; 12.9 per cent of total expenses)	

44. UNFPA strengthened the capacity of countries to produce, analyse and disseminate population-related data, including population data in humanitarian emergencies. In 2015, 73 per cent of the countries that experienced humanitarian crises received technical assistance from UNFPA to use population data to support needs assessments, exceeding the midterm target of 70 per cent.

45. UNFPA did not reach its target on building capacity for data analysis. By 2015, 42 countries (versus the target of 66) had conducted a population situation analysis. Financial constraints were among the reasons cited for not meeting the target. Capacity-building in other data analysis aspects was on track: targets were met regarding the capacity to analyse and use disaggregated data on adolescents, and the capacity to disaggregate gender-based violence data.

46. An independent evaluation completed in 2014 on UNFPA support to national censuses showed that support for the 2010 census round was aligned with and relevant to national needs and priorities, and that the dissemination of census results improved during the 2010 round, even though most developing countries lacked interactive public access databases that house census data. The evaluation recommended that support for the generation of census data should be matched by a strengthening of capacity to use census results to determine population trends and analyse development indicators.

47. The main challenges in the population and development area included: (a) capacity development; (b) reliable and timely data for policymaking; and (c) adequate human and financial resources to effectively address growing demands for analyses of population data. A lesson learned is that the population situation analysis requires more support; unless it is accompanied by advocacy and capacity-building, with available data (including web-based access), the situation analysis is not necessarily used to inform policies.

Organizational effectiveness and efficiency

48. UNFPA made good progress in implementing the organizational effectiveness and efficiency outputs (see table 5).

Table 5: Scorecard for organizational effectiveness and efficiency

Output	Performance in 2014-2015
1. Improved quality assurance, monitoring and evaluation	● (Green)
2. Improved mobilization, management and alignment of resources	● (Orange)
3. Increased adaptability through innovation, partnership and communications	● (Green)
Expenses: $ 321.6 million (2.6 per cent of programme resources; 16.9 per cent of total expenses)	

Output 1: Enhanced programme effectiveness by improving quality assurance, monitoring, and evaluation

49. UNFPA implemented the planned corporate- and programme-level evaluations for 2014-2015. The quality of country programme evaluations improved in 2014. The 2014 evaluations revealed that the majority of country programmes were considered to be effective, while the rest were partially effective. Almost all country programmes were considered to be relevant to the country context and to the UNFPA strategic focus; however, programme efficiency and sustainability require improvement. With regard to the recommendations of country programme evaluations, UNFPA implemented 77.9 per cent of the follow-up actions of the recommendations.

50. Launched in 2014, the UNFPA global programming system enabled the systematic and real-time management of the implementation of workplans and budgets. In addition, the strategic information system enabled UNFPA to plan and monitor progress quarterly and report on results annually. The two systems are linked and permit the analysis of results and programme resources.

51. UNFPA scaled up its knowledge-management capacity by establishing a South-South project and adopting a South-South corporate plan. In 2015, 76 per cent of programme countries used this modality for programming.

Output 2: Improved mobilization, management and alignment of resources through an increased focus on value for money and systematic risk management

52. In 2015, UNFPA mobilized $972 million, or 92 per cent, of its midterm target of $1,051 million. For non-core resources, UNFPA mobilized $574 million, which represents 100 per cent of the target. For core resources, UNFPA mobilized $398 million, or 83 per cent, of the strategic plan target of $478 million. UNFPA maintained its diverse donor base of 133 donors in 2015. This donor base is one of highest among the funds and programmes of the United Nations.

53. UNFPA strengthened financial accountability and optimized the use of resources to focus on programme work and adapt to the development finance landscape. It steadily reduced the proportion of resources used for management costs, from 13.1 per cent in 2013 to 10.9 per cent in 2015, exceeding the target of 11.2 per cent. UNFPA obtained a clean audit opinion in 2014 and in 2015, and reduced operating fund account advances that were overdue, from 3 per cent in 2013 to 1.37 per cent in 2015 (versus a target

of 6 per cent). It is fully compliant with the standards of the International Aid Transparency Initiative. UNFPA now provides quarterly International Aid Transparency Initiative data releases with more specific alignment to international purpose codes.

54. UNFPA progressed in implementing enterprise risk management using industry 'best practices' and an internally developed information technology system. The first cycle will be completed in mid-2016, when an evaluation of the enterprise risk management framework will be undertaken to identify further refinements.

55. UNFPA took part in United Nations business harmonization and simplification. As co-convener of the Fiduciary Management Oversight Group of the United Nations Development Group, UNFPA contributed to obtaining approval for the revised legal instruments for the United Nations Development Group pass-through financing mechanisms. UNFPA also contributed to rolling out the joint operations facility in Brazil, the independent evaluation of the business operating strategy, and the development and costing of the United Nations oversight and accountability model.

56. UNFPA strengthened human resource management. The vacancy rate dropped from 15 per cent at the end of 2013 to 13 per cent at the end of 2015, surpassing the midterm target of 14 per cent. The lead time for recruitment dropped from 147 days to 136 days. The leadership pool, established to address challenges in succession planning, has grown, and UNFPA has identified 83 new potential managers. The surge roster, which is used to respond to humanitarian situations, has grown to 96 members. In 2015, UNFPA deployed 13 staff members from this roster.

57. UNFPA has promulgated a new individual consultant policy, which, along with the new consultants' roster, improved the quality and timeliness of recruitment. It developed a new guide to address underperformance. UNFPA is recognizing the services of long-serving staff members and those nearing retirement as part of a revamped rewards and recognition initiative.

Output 3: Increased adaptability through innovation, partnership and communications

58. UNFPA expanded its partnerships with the private sector. In 2015, UNFPA received increased financing (over $10.5 million) from the private sector, with in-kind support contributing an additional $800,000. Contributions came from diverse entities and resulted in over 60 new partnerships, several of which supported UNFPA humanitarian work. This demonstrates an increased acknowledgement of UNFPA expertise in addressing the safety and health of women and girls in crises.

59. UNFPA continued to expand its global media outreach. In 2015, UNFPA received approximately 1,000 influential media references per month. The UNFPA Facebook page has received 271,185 'likes', an increase of more than one third since January 2014. The UNFPA Twitter account now has 104,849 followers.

60. UNFPA is cultivating innovation in the organization, building on an innovation fund established in 2014. In 2015, UNFPA launched 17 new innovative initiatives from nearly 90 submissions. UNFPA has established innovation teams in many of its offices to identify, prototype and scale up technologies and programme practices.

IV. Findings of the midterm review

A. Overview

61. The progress documented in section III and reflections from internal and external stakeholders indicate that the current strategic plan has sharpened focus and coherence in UNFPA work.

62. The strategic plan, rooted in the emerging development environment, positions UNFPA to succeed in that environment. The "bull's eye" (the vision and direction of the strategic plan) is at the heart of the UNPFA mandate. The plan responds to the ICPD Programme of Action and was influenced by ongoing, broader development processes. As in the 2030 Agenda, the UNFPA strategic plan calls for reaching those farthest behind by giving priority to the most vulnerable and marginalized people, including adolescent girls, indigenous people, ethnic minorities, migrants, sex workers, persons living with HIV and persons with disabilities.

63. The Sustainable Development Goals reaffirm the recognition in the ICPD Programme of Action that human beings must be at the centre of sustainable development. UNFPA has a vital role to play in supporting countries to implement and achieve these Goals. The Sustainable Development Goals cannot be achieved without empowering women, girls and young people to control their bodies and their lives, nor can they be achieved without high-quality population data and analysis to support evidence-based policy making. The focus on sexual and reproductive health and reproductive rights, a key pillar of the current strategic plan, will continue to guide the organization's work. For UNFPA, the 2030 Agenda means doing things differently, but not necessarily doing 'different' things.

64. The work of UNFPA is relevant to all the Sustainable Development Goals, directly through: (a) Goal 3, with its inclusion of universal access to sexual and reproductive health-care services, maternal health and ending the AIDS epidemic; (b) Goal 5, with targets to eliminate discrimination against women and girls, eliminate gender-based violence and harmful practices (including child, early and forced marriage and female genital mutilation), and ensure universal access to sexual and reproductive health and reproductive rights; (c) Goal 10, which addresses inequalities and discrimination, including for migrants; (d) Goal 16, ensuring the participation of women and girls in decision-making and their safety from violence; and (e) Goal 17, which promotes strong data systems and partnerships with civil society.

65. The UNFPA mandate has indirect links to the following Sustainable Development Goals: (a) nutrition for young girls and mothers, in Goal 2; (b) skills and education related to gender equality and human rights, in Goal 4; (c) youth employment (central to the demographic dividend), in Goal 8; and (d) strengthening resilience and adaptive capacity to climate-related hazards and their impact, in Goals 1 and 13. The midterm review has determined that the UNFPA strategic plan is well aligned with the goals of the 2030 Agenda for Sustainable Development and with the findings of the ICPD Beyond 2014 review.

66. The 2030 Agenda recognizes the importance of the demographic dividend. This provides UNFPA with a unique opportunity to accelerate action to fulfil the core aspirations of ICPD Beyond 2014. These include the realization of human rights and fundamental freedoms, non-discrimination and gender equality, increasing investments in young people, and building stronger health systems and national statistical capacity.

67. UNFPA will enhance its work on the demographic dividend – which simply frames in a new way activities the organization already carries out under the current strategic plan – by promoting high-level global dialogue, facilitating regional efforts and working with countries to create the conditions necessary to ensure that women and young people, particularly adolescent girls, are empowered to reach their potential; that they are able to exercise their right to sexual and reproductive health, including family planning; that they are able to stay in school, avoid early marriage and early childbearing, and are not subject to genital mutilation; and that they are able to join the workforce and contribute fully to their communities and economies.

68. UNFPA will continue to work with Member States to support public policies that support social issues. These issues relate to the well-being of populations and include health care, education, housing and employment, among others. These policies ensure that individuals, especially young girls and women, have access to social protection services; that they do not suffer because of a lack of knowledge of their rights; and that they exercise a responsible influence, locally and nationally, on the development of social policies and services.

69. A shift in discourse is required not only to react to disasters and conflicts, but to prepare and empower individuals and communities to withstand and recover from them. One of the strategies to reduce risks is to ensure that people are resilient in disasters and conflicts. Building resilient communities requires empowering women and girls and strengthening the institutions and systems that serve them. This transformation based on resilience will require a response that does not replicate discriminatory practices against women and girls. It will require strong national institutions, with better risk management strategies and capacities in place before a crisis strikes.

70. UNFPA will continue to strengthen the capacity of Governments to generate population data and expand the use of population data by a range of national actors, including Governments, academia, civil society and the public.

71. The close partnerships with national statistical authorities over the past 45 years position UNFPA well to foster and promote innovation to fill data gaps, including through partnerships with the private

sector. By strengthening the analyses of population dynamics and the links to sustainable development, UNFPA will support advocacy for increased social investments in education and health, especially sexual and reproductive health, and employment for adolescents and youth. This is particularly important for disadvantaged adolescent girls. The UNFPA focus on human rights promotes not only equity of access to high-quality services, but also the ability of adolescent girls to exercise their choice.

72. Based on analytical data, there is consensus within UNFPA and agreement with external stakeholders that midterm updates of the strategic plan should be minor and few in number. The midterm review reconfirms the strategic direction of UNFPA; there is no need to change the "bull's eye". There will, however, be increased measurement of resilience programming and humanitarian work. This will be achieved in part through refinements to the integrated results framework. While there are a number of country offices undertaking resilience-based development as part of their country programmes, UNFPA will make concerted efforts to strengthen capacity and interventions in this area.

B. Lessons learned from the integrated results framework

73. UNFPA learned several lessons from implementing the integrated results framework during the first two years of the strategic plan. The most often cited issue is related to the measurement of the results of the upstream work of UNFPA, within the context of the differentiated programming introduced by the business model. Another lesson learned concerned the 'bottom-up' approach used for baseline and target-setting for the results framework. While the bottom-up approach has its merits, reporting at the country level requires adjusting some of the targets, to more accurately reflect results.

74. The outcome theories of change were found to be a useful resource by country offices and improved the quality of planning. However, there is a perception that they focus more on traditional (downstream) modes of engagement and not enough on upstream modes of engagement. While the outcome theories of change provide an overarching logical sequence for programming, the output theories of change at the country level should be grounded in the country context.

C. Adjustments to the integrated results framework

75. The structure and main results of the integrated results framework will not change following the midterm review; the revised integrated results framework (see annex 1) has the same goal and four outcomes.

76. However, UNFPA proposes that the number of development outputs be reduced from 15 to 13, given that the four outputs under outcome 4 will be reduced to two, in order to streamline the work of UNFPA in the area of population data for development. Four new indicators were introduced and one was deleted to strengthen the measurement of results in this area.

77. The strategic plan recognized the need for an expanded role for UNFPA in humanitarian settings. The organization's humanitarian work spans emergency preparedness, disaster risk reduction, and humanitarian response and recovery. This work was guided by the principles of strengthening capacity, and working in partnership with local communities and affected populations. Key to the success of its humanitarian work is accountability to the people served. UNFPA must be able to sufficiently measure its own performance for the remainder of the strategic plan; it will therefore introduce three additional output-level indicators to the integrated results framework.

78. The remainder of the changes to the integrated results framework are minor. They include: (a) replacing three indicators with similar indicators used in the Sustainable Development Goal framework; (b) editing four indicators, to make them more specific; (c) adjusting targets for nine indicators that were either overperforming or the methods for their calculation had changed during 2014-2015; and (d) deleting three indicators that were no longer relevant after the adjustments. (Complete details of the revised integrated results framework are provided in annex 1.)

D. Business model

79. The UNFPA business model, as part of the strategic plan, makes a distinction between programme countries in terms of their needs and their ability to finance their development. This model is a pioneer in the United Nations system for deploying diversified programming approaches. It gives country offices the opportunity to engage with Member States and provide differentiated programming, based on the context

of the host countries. The same principle underpins the 2030 Agenda, where Member States committed to implementing the Agenda by "taking into account different national realities, capacities and levels of development and respecting national policies and priorities".

80. While the business model was an important step in using a differentiated programming approach, the lessons learned during 2014-2015 revealed some rigidity in the model and the need for a more flexible approach.

81. In response to Executive Board decision 2013/31, UNFPA updated its data for determining country classifications. In conducting this update, UNFPA used the latest data available for the six indicators and the two factors described in annex 4 of the strategic plan. The update did not change the country classifications for most of the countries; ninety per cent of the countries remained in the same quadrants. Considering the short time remaining for the current strategic plan, and the negligible impact on the business model, UNFPA decided not to propose any changes to the country classification.

82. There will be no changes to the business model; it will continue to guide the implementation of the strategic plan through 2017. Based on the lessons learned, UNFPA will allow more flexibility, especially in capacity development and knowledge management for advocacy and policy dialogue in the 'pink' quadrant countries (those with the lowest need and highest ability to finance their own programmatic interventions). UNFPA will further harmonize its business practices and exercise greater flexibility in defining the roles, functions and structures of its offices, based on the required capacity to achieve results.

E. Partnerships

83. The results achieved by UNFPA were possible by involving a broad set of partners. While the Sustainable Development Goals require the United Nations system to intensify and accelerate its interventions, UNFPA will seek to leverage its partnerships, especially with the private sector. UNFPA considers South-South and triangular cooperation important for implementing the 2030 Agenda.

84. The 2030 Agenda demands a global approach and greater emphasis on South-South cooperation, not only between and among Member States, but also with the private sector and civil society. UNFPA has supported countries in sharing experiences and expertise in areas such as censuses; in expanding access to sexual and reproductive health services; in preventing and responding to gender-based violence; and in increasing the participation of youth.

85. Strengthening partnerships and promoting innovation are essential to UNFPA, as they increase the impact of the organization's work across the "bull's eye". Doing things differently for UNFPA means better utilizing available resources, working effectively across institutional and geographical boundaries, and involving new partners. The lessons learned over the past two years indicate the central role that partnerships play in UNFPA work, such as the Sahel Women's Empowerment and Demographic Dividend Project. This project, undertaken in partnership with the World Bank, seeks to increase women's and adolescent girls' empowerment and their access to high-quality reproductive, child and maternal health services. It also seeks to increase South-South cooperation and knowledge-sharing.

86. The centrality of reproductive, maternal, newborn, child and adolescent health in the 2030 Agenda reaffirms the key role of the United Nations system to support countries in addressing universal coverage with high-quality reproductive, maternal, newborn, child and adolescent health services, including adolescent sexual and reproductive health services. The UNFPA role in the H6 partnership (Joint United Nations Programme on HIV and AIDS, UNFPA, UNICEF, UN-Women, WHO and the World Bank) reflects its commitment to that partnership and engagement with its partners. The partnership supports high-burden countries in tackling the root causes of maternal, newborn, child and adolescent mortality and morbidity, including gender inequalities and sociocultural and financial barriers, in order to achieve the Sustainable Development Goals.

87. "Women and Girls First" is a joint initiative of UNFPA, Finland and Sweden that will provide comprehensive reproductive health care and emergency assistance, including post-rape treatment, counselling and support, to survivors of gender-based violence. The services will be delivered through mobile and stationary clinics, and through women's and girls' centres.

88. Leveraging new and existing partnerships is an important driver of impact for UNFPA. The organization will continue to expand and strengthen partnerships to carry out its work and to promote a broader understanding and recognition of the unique mandate of UNFPA. This includes working closely

with faith-based organizations, parliamentarians, civil society organizations, international financing institutions and the private sector.

F. Human resources

89. Many UNFPA offices have aligned their human resources to the strategic plan, which included ensuring an appropriate office structure and skills mix to achieve results. UNFPA will intensify its analysis of the distribution of skills and expertise within the organization. This analysis will allow UNFPA to conduct an inventory of its skills mix and address gaps in competencies. This exercise is an element of the UNFPA human resources strategy, 2014-2017.

G. Resource environment

90. The 2030 Agenda calls for a universal development mandate, blurring the distinction between donor countries and programme countries. Development financing will continue to evolve, as official development assistance remains vulnerable to domestic pressures, and programme countries are called upon to allocate larger proportions of domestic resources for national development. As a result, the traditional means of financing UNFPA activities is no longer entirely adequate in the new environment. In response to this new reality, the organization is exploring innovative proposals for a financial architecture that addresses these new constraints. UNFPA has begun internal reviews to identify such proposals and examine their feasibility in order to bolster its financial health and strengthen its ability to achieve its mandate.

91. The decreased share of regular resources, as a proportion of total resources in both 2014 and 2015, presents new challenges for UNFPA, since this trend is not expected to reverse itself for some time. UNFPA is revising its integrated resources framework to respond to the new financial reality. UNFPA will continue to advocate for increased contributions to regular resources, the bedrock of operational activities for development, as underscored in General Assembly resolution 67/226 on the quadrennial comprehensive policy review. The midterm review of the integrated budget (DP/FPA/2016/3) presents a comprehensive and detailed financial framework for the strategic plan.

H. Global and regional interventions

92. The global and regional interventions are catalytic and complementary in-country interventions. The experience in implementing these interventions over the past two years has shown that they are an integral part of the integrated results framework and not merely additions to it. UNFPA undertook a review of the costs of the global and regional interventions to identify any residual management costs. The midterm review addresses areas of improvement for the global and regional interventions in the results and resources framework. These improvements include fine-tuning indicators and adjusting targets.

I. Implementation of the midterm review of the strategic plan

93. During 2016-2017, UNFPA will accelerate the implementation of its current strategic plan. UNFPA is undertaking a review of the organization that examines capacity, resources and commitments to ensure that staff members are equipped with the skills and structures to achieve high-quality results. UNFPA will complete the review in 2016, and will provide the incentives and tools to fully implement the strategic plan. This exercise will enable UNFPA to continue to be "fit for purpose" and able to support Member States in implementing the 2030 Agenda for Sustainable Development.

J. The next UNFPA strategic plan, 2018-2021

94. The development of the next UNFPA strategic plan will begin during the second half of 2016. The strategic plan will continue to effect transformative change within and outside the organization in order to expand the possibilities for women and young people to lead healthy and productive lives. It will be aligned with and support the Sustainable Development Goals, the 2030 Agenda and the Agenda for Humanity. The 2016 quadrennial comprehensive policy review of operational activities for development of the United Nations system and the outcomes of the Economic and Social Council dialogues will

provide strategic direction for the implementation of the strategic plan. UNFPA will strengthen resilience across the humanitarian and development continuum.

V. Elements of a decision

95. The Executive Board may wish to:

(a) Take note of the documents that make up the report of the Executive Director for 2016: DP/FPA/2016/2 (Part I, Part I/Add.1 and Part II), as well as the relevant annexes to these report, available on the UNFPA website;

(b) Welcome the findings as contained in the present report [DP/FPA/2016/2 (Part I)] and in the revised integrated results framework (annex 1 to the present report), as important steps in aligning the UNFPA strategic plan, 2014-2017, to the 2030 Agenda for Sustainable Development;

(c) Welcome the progress achieved during 2014-2015 in implementing the strategic plan, while recognizing the challenges that lie ahead, and also welcome the commitment of UNFPA management to maintaining the strategic focus of the organization;

(d) Approve the revised integrated results framework [DP/FPA/2016/2 (Part I), Annex 1] and encourage all countries to assist UNFPA in reaching the total figure for regular and other resources for the remainder of the strategic plan period, including through multi-year pledges;

(e) Stress the importance of regular resources for the effective implementation of the strategic plan and encourage countries to increase their contributions to the regular resources of UNFPA;

(f) Request submission of the next UNFPA strategic plan, 2018-2021, at the second regular session 2017 of the Executive Board.

United Nations DP/FPA/2016/2 (Part I/Add.1)

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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UNFPA – Annual report of the Executive Director

United Nations Population Fund

Statistical and financial review, 2015

Report of the Executive Director

Summary

This report provides summary financial information on UNFPA revenue and expenses for 2015, and on assets, liabilities and fund balances, as at 31 December 2015. The figures in this report are consistent with the full accrual basis of accounting. All data in the document is provisional, subject to external audit. This report should be read in conjunction with the report on the midterm review of the Integrated Budget, 2014-2017 (DP/FPA/2016/3).

UNFPA generated $992.8 million in revenue in 2015. This represented a 3.2 per cent decline, compared to 2014, when revenue totalled $1,025.1 million. While this decrease is largely attributable to regular resources, which declined by 15 per cent (from $523.4 million in 2014 to $444.8 million in 2015), it has been partially offset by an increase in revenue from other resources, which grew by 9.2 per cent (from $501.7 million in 2014 to $548.0 million in 2015).

UNFPA expenses in 2015 totalled $977.4 million. This represented a 2.5 per cent decrease, compared to 2014, when total expenses amounted to $1,002.1 million. This is primarily attributable to expenses under regular resources, which decreased by $17.7 million (3.5 per cent), from $500.4 million in 2014 to $482.7 million in 2015. Expenses under other resources decreased by a much smaller margin (1.4 per cent), from $501.7 million in 2014 to $494.7 million in 2015.

UNFPA ended 2015 with $794.4 million in reserves and fund balances. The regular resources share of reserves and fund balances was $64.8 million, of which $24.8 million were available for programming ($25.1 million in 2014). The other resources fund balance equalled $729.6 million. This amount includes $278.6 million of contributions receivable that were not due for payment by the end of 2015. It also includes contributions that have been received but are earmarked for future years.

The operational reserve was reduced by $16.7 million, from $95.1 million in 2014 to $78.4 million in 2015, to set the amount of the reserve equal to 20 per cent of the regular resources contributions revenue for the year.

UNFPA managed to close the year 2015 in good financial health by ensuring that its outstanding commitments remained within the available financial resources. However, the decreased share of regular resources as a proportion of total resources presents new challenges for the organization, particularly as this trend is not expected to reverse in the foreseeable future.

Elements of a decision

The Executive Board may wish to take note of the present report.

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Annex 2
Classification of countries and territories: UNFPA strategic plan, 2014-2017

I. Introduction

1. The statistical and financial review, 2015, provides summary information on UNFPA revenue and expenses for the year, and on assets, liabilities and fund balances, as at 31 December 2015. This information is provided for activities funded by both regular and other resources. All figures in the present document are provisional, subject to external audit and, as a result of rounding, may not add up to the totals.

2. The statement of "revenue and expenses for the year ended 31 December 2015" is provided in the annex 1, table 1, for regular, other and total resources. The statement of "assets, liabilities and fund balances as at 31 December 2015" is provided in the annex 1, table 2, for total resources. The statement of changes in net assets for the year ended 31 December 2015 is provided in annex 1, table 3.*

3. The 2015 figures are prepared in compliance with full accrual basis of accounting, with the exception of annex1, table 15, which presents resource utilization in the integrated resource plan on a budgetary comparable basis (modified accrual basis).

4. Throughout the report reference is made to contribution revenue as 'gross' or 'net'. Gross contributions include amounts specified in agreements signed with donors, and are recognized as revenue consistent with UNFPA accounting policies, regardless of the period of implementation and the payment schedule. Net contributions for regular resources are exclusive of transfers to other revenue for reimbursement of tax charges to the citizens of one Member State. Net contributions to other revenue exclude refunds to donors, cost recovery charges and UNFPA contributions to joint programmes where Fund serves as managing agent.

II. Total resources

A. Revenue

5. Total gross contribution revenue for the last five years can be summarized as follows:

	2015	2014	2013	2012	2011
	Millions of United States dollars				
Regular resources – gross	398.2	477.4	460.0	437.5	450.7
Other resources – gross	581.3	529.2	504.3	533.6	439.8
Total gross contributions	**979.5**	**1 006.6**	**964.3**	**971.1**	**890.5**
Other resources, as percentage of total resources	59.3%	52.6%	52.3%	54.9%	49.4%

6. Contributions to regular resources have decreased by $79.2 million (16.6 per cent) from 2014 to 2015. Contributions to other resources have increased over the same period by $52.1 million (9.8 per cent), thereby increasing the share of other resources, as a percentage of total contributions, from 52.6 per cent in 2014 to 59.3 per cent in 2015. This increase is consistent with the trend of continuous growth of other resources as a percentage of total contributions, which was observed during last five years (with exception of 2013).

7. Total revenue in 2015 amounted to $992.8 million (see annex 1, table 1); this represented a $32.3 million (3.2 per cent) decline over 2014 levels ($1,025.1 million).

8. In 2015, other revenue totalled $57.2 million ($61.5 million in 2014), equivalent to 5.8 per cent of total revenue for the year. Other revenue includes cost recoveries for implementation of programme activities under other resources ($33.3 million), investment revenue ($6.8 million), reimbursement of tax charges paid to citizens of one Member State

* The annexes to this report can be found on the UNFPA Executive Board website.

($5.9 million), income from performing procurement services for third-party clients ($3.0 million) and other activities ($8.2 million).

B. Expenses

9. Total expenses for 2015 were $977.4 million, which is $24.7 million lower than in 2014, when total expenses amounted to $1,002.1 million.† This decline is primarily attributable to expenses under regular resources. Details are provided in sections III.A and IV.A of this report.

10. Total expenses can be summarized as follows:

	2015	
	Millions of United States dollars	*Per cent*
Country programmes, global and regional interventions (GRI) and other programme activities	798.6	81.7
Institutional budget - gross	140.3	14.4
Corporate	38.5	3.9
Total expenses	**977.4**	**100.0**

11. Programme and institutional budget expenses can be summarized by region as follows:

	2015	
	Millions of United States dollars	*Per cent*
East and Southern Africa	201.2	21.5
West and Central Africa	161.7	17.2
Arab States	111.9	11.9
Asia and the Pacific	145.8	15.5
Latin America and the Caribbean	57.5	6.1
Eastern Europe and Central Asia	32.6	3.5
Office in Addis Ababa	0.8	0.1
Global activities	227.4	24.2
Total programmes and institutional budget	**938.9**	**100.0**

12. The strategic plan, 2014-2017, and its business model introduced a new classification of countries whereby all countries/territories in which UNFPA operates were categorized into four quadrants (red, orange, yellow and pink), based on a combination of factors, such as need, ability to finance and population. The list of all countries and their classification are included in annex 2.

13. Total programme and institutional budget expenses, with a breakdown by quadrant, are summarized in the table below:

† The statistical and financial review for 2014 reports annual expenses as $995.6 million. The difference between this amount and the figure ($1,002.1 million) quoted in this report, is due to additional expenses of $6.5 million related to 2014 fiscal year that were recorded after issuance of the statistical and financial review, 2014.

	2015	
	Millions of United States dollars	*Per cent*
Country expenses	**651.3**	**69.4**
Red	407.3	43.4
Orange	94.9	10.1
Yellow	68.8	7.3
Pink	80.3	8.6
Global and regional interventions	**57.8**	**6.1**
Regional	33.9	3.6
Global	23.9	2.5
Other regional and global expenses [a]	**229.8**	**24.5**
Other regional	26.3	2.8
Other global	203.5	21.7
Total programmes and institutional budget	**938.9**	**100.0**

[a] Includes non-GRI expenses of regional and headquarter offices such as programme activities covered with other resources and institutional budget expenses.

14. Programme and institutional budget expenses are further detailed in annex 1, tables 4 through 12.

15. UNFPA spent $798.6 million on country programmes, global and regional interventions, and other programme activities in 2015. Governments and non-governmental organizations implemented 32.5 per cent ($259.5 million) of these resources, compared with 31.1 per cent ($255.1 million) in 2014.

16. In 2015, 65.7 per cent of UNFPA programme activities (or $524.8 million) either had gender equality/women's empowerment as their primary objective or made a significant contribution to gender equality. This is 17.1 percentage points higher than in 2014, when 48.6 per cent (or $398.3 million) of programme expenses had women empowerment as primary objective or made a significant contribution to gender equality.

17. Country and regional offices spent $711.5 million on programme and institutional budget expenses in 2015. The breakdown of these expenses by country/territory, region and quadrant for regular and other resources is provided in annex 1, table 13.

18. In 2015, $137.0 million was spent from regular resources on programme activities in the least developed countries. This represents 53.6 per cent of the total regular resource expenses of $255.4 million for country programmes – an increase of 1.8 percentage points, compared to 2014, when 51.8 per cent of country programme regular resources expenses were spent in the least developed countries.

19. A total of $100.3 million of regular resources was spent on programme activities in low-income economies, representing 39.3 per cent of total regular resource expenses for country programmes in 2015. This is down by 3.5 percentage points, compared to 2014. This decline is primarily due to the change in classification for four countries, which were re-categorized from low-income to lower-middle-income economies.

20. The breakdown of expenses in least developed countries and low-income economies is provided in annex 1, table 14.

C. Fund balances and reserves

21. Reserves and fund balances at 31 December 2015 totalled $794.4 million and can be summarized as follows:

	2015
	Millions of United States dollars
Operational reserve	78.4
Reserve for field accommodation	5.0
Designated regular resources fund balances*	38.3
Undesignated regular and other resources fund balances	672.7
Total	**794.4**

* 'Designated' refers to the portion of regular resource balance that is designated for a special purpose and is not available for programming.

D. Integrated budget

22. In its decision 2013/32, the Executive Board approved the first UNFPA integrated budget, 2014-2017 (DP/FPA/2013/14), aligned with the strategic plan for the same period. The integrated budget encompasses all cost categories and results of the organization within a single, integrated framework.

23. Annex 1, tables 4 through 12, present information on expenses (on accrual basis of accounting) for the year ended 2015, by four development outcomes (with further details by output) and three organizational efficiency and effectiveness outputs, as per strategic plan and integrated budget.

24. Annex 1, table 15, presents information on the actual utilization of resources for 2014-2015, against the estimates included in the integrated resource plan of the integrated budget. Resource utilization is presented under the modified accrual basis of accounting, consistent with the budget presentation.

25. Annex 1, table 16, provides further details of the institutional budget component of the integrated budget by expense categories.

III. Regular resources

A. Revenue and expenses

26. A summary of revenue, expenses, fund movements and fund balances under regular resources for 2015 is presented in the table below.

	Undesignated funds	Designated funds	Reserves	Total
	Millions of United States dollars			
Fund balance at 1 January 2015	**(93.7)**	**45.7**	**100.1**	**52.1**
Contributions – gross	398.2	-	-	398.2
Less: transfers to other revenue for reimbursement of tax charges	(5.9)	-	-	(5.9)
Other revenue	52.3	0.2	-	52.5
Total revenue	**444.6**	**0.2**	**-**	**444.8**
Expenses	(481.6)	(0.7)	(0.4)	(482.7)
Total expenses	**(481.6)**	**(0.7)**	**(0.4)**	**(482.7)**

Transfers between funds and other adjustments	22.3	(6.9)	(16 3)	(0.9)
Plus: actuarial gain on after-service health insurance and other post-employment benefits	51.5	-	-	51.5
Total movements within fund balances	**73.8**	**(6.9)**	**(16.3)**	**50.6**
Fund balance at 31 December 2015	**(56.9)**	**38.3**	**83.4**	**64.8**

27. Compared to 2014, total revenue under regular resources has decreased by $78.6 million (15.0 per cent), from $523.4 million in 2014 to $444.8 million in 2015.

28. At 31 December 2015, UNFPA made a provision for doubtful accounts of $0.1 million (similar to 2014), for contributions receivable for which collection was considered doubtful.

29. Annex 1, table 17, provides a summary of regular resource contributions in excess of $1.0 million.

30. Actual total expenses for 2015 were $482.7 million – $17.7 million (3.5 per cent) lower than total expenses in 2014.

31. Out of total expenses for 2015, $453.7 million were spent on country programmes, global and regional interventions, institutional budget and other programme activities. The remaining $29.0 million were spent on corporately administered expenses, such as annual costs of post-employment benefits for UNFPA staff ($12.7 million), foreign exchange loss on contributions receivable ($6.1 million), and income tax reimbursements to the citizens of one Member State ($5.9 million).

32. In annex 1, tables 4 through 12 delineate programme and institutional budget expenses funded from regular resources.

B. Fund balances and reserves

33. In 2015, expenses under regular resources exceeded revenue for the year by $37.9 million (see annex 1, table 1).

34. At the end of 2015, $24.8 million were available for programming in 2016, as shown in annex 1, table 18.

35. At 31 December 2015, UNFPA had decreased its operational reserve by $16.7 million, from $95.1 million in 2014 to $78.4 million. This reduction was made in accordance with the UNFPA financial regulations and rules, in order to set the level of the reserve equal to 20 per cent of the regular resources net contribution revenue for the year.

IV. Other resources

A. Revenue and expenses

36. In UNFPA, other resources comprise trust funds and special funds. Special funds include the junior professional officers programme; procurement services – non-third party services related; and other funds.

37. A summary of revenue, expenses, fund movements and fund balances under other resources in 2015 are presented in the table below.

	Trust funds	Special funds	Total
	Millions of United States dollars		
Fund balance at 1 January 2015	**639.4**	**36.0**	**675.4**
Contributions – gross	575.3	6.0	581.3
Less: refunds to donors	(4.5)	-	(4.5)
Less: cost recovery charges	(33.3)	-	(33.3)
Less: UNFPA contributions to joint programmes where it serves as managing agent	(0.2)	-	(0.2)
Other revenue	1.0	3.7	4.7
Total revenue	**538.3**	**9.7**	**548.0**
Expenses – gross	(518.7)	(9.5)	(528.2)
Less: cost recovery charges	33.3	-	33.3
Less: UNFPA contributions to joint programmes where it serves as managing agent	0.2	-	0.2
Total expenses	**(485.2)**	**(9.5)**	**(494.7)**
Transfers between funds and other adjustments	(0.4)	1.3	0.9
Total movements within fund balances	**(0.4)**	**1.3**	**0.9**
Fund balance at 31 December 2015	**692.1**	**37.5**	**729.6**

38. Total revenue under other resources has grown by $46.3 million (9.2 per cent), from $501.7 million in 2014 to $548.0 million in 2015.

39. Expenses for the year have decreased by $7.0 million (1.4 per cent), from $501.7 million in 2014 to $494.7 million in 2015.

40. In annex 1, tables 4 through 12 delineate trust fund expenses.

B. Fund balances

41. The excess of revenue over expenses (surplus) for 2015 under other resources was $53.3 million, as shown in annex 1, table 1. This amount is included in a total other resources year-end fund balance of $729.6 million.

42. The other resources fund balance includes $278.6 million of contributions receivable that were not due for payment by the end of 2015 as well as contributions that have been received but are earmarked for activities in future years.

C. Cost recovery

43. UNFPA charges cost recovery for the implementation of projects funded with other resources. The latest cost recovery rates were approved by the Executive Board in decision 2013/9, and range from 5 per cent for contributions from programme governments contributing to their own country programmes to 8 per cent for standard co-financing agreements. In 2015, exceptions to the standard rates were granted, in the context of specific co-financing agreements, to the following donors: Saudi Arabia (7 per cent); United Nations Children's Education Fund (7 per cent); United Nations Office for Project Services (7 per cent); the Secretariat of the Pacific Community (7 per cent); the UNDP Multi-Partner Trust Fund – Iraq Trust Fund (6.25 per cent); and the United Nations Office for the Coordination of Humanitarian Affairs (5 per cent).

V. Cash and investments

44. At 31 December 2015, cash and investments held by UNFPA totalled $780.5 million ($934.8 million in 2014), comprising cash and cash equivalents (including investments with a duration of less than 90 days) of $77.4 million and other investments of $703.1 million. Of the total investments, $349.7 million are restricted in use for the operational reserve ($78.4 million); funding for employee benefits liability ($187.9 million); principal amount of the private endowment trust ($33.7 million); funds held by UNFPA on behalf of other United Nations organizations in the capacity of Administrative Agent ($44.7 million); and reserve for field accommodation ($5.0 million). Cash, cash equivalents and investments are shown in annex 1, table 2.

VI. Other assets and liabilities

45. UNFPA inventory balance amounted to $59.0 million at the end of 2015. This represents an 8.7 per cent increase, compared to 2014, when inventories held at year end amounted to $54.3 million. UNFPA inventory consists of reproductive health commodities and other programme-related goods that are either stored in warehouses or are in transit and not yet physically received at their destination. At the end of 2015, $40.8 million (69.2 per cent) of inventory were in transit to their intended locations and $18.2 million (30.8 per cent) worth of inventory was held in warehouses, either at headquarters or in the field.

46. Contributions receivable reached $300.9 million at the end of 2015 (a $71.8 million increase over 2014), of which 93.8 per cent were for other resources. A substantial share of contributions receivable ($278.6 million) referred to instalments from multi-year agreements, which fall due in the following years.

47. In 2015, operating fund advances outstanding at year end declined by 21.9 per cent, falling from $13.9 million in 2014 to $10.8 million in 2015.

48. Employee benefits liabilities at the end of 2015 totalled $302.7 million, decreasing from $332.1 million in 2014. This is primarily attributable to a $51.5 million actuarial gain on the after-service health insurance and other post-employment benefits liability. The unfunded portion of the employee benefits liability decreased from $154.8 million at the end of 2014 to $114.8 million at the end of 2015, mainly attributable to the overall reduction in liability as well as to additional funding of $10.6 million set aside during the year.

VII. Conclusions

49. UNFPA managed to close the year 2015 in good financial health by ensuring that its outstanding commitments remained within available financial resources. However, the decrease of regular resources as a proportion of total resources presents new challenges for the organization, particularly as this trend is not expected to reverse in the foreseeable future.

United Nations DP/FPA/2016/2 (Part II)

Executive Board of the United Nations Development Programme, the United Nations Population Fund and the United Nations Office for Project Services

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UNFPA – Annual report of the Executive Director

United Nations Population Fund

Report on the recommendations of the Joint Inspection Unit in 2015

Report of the Executive Director

Summary

In line with General Assembly resolution 59/267, this report provides a synopsis of UNFPA management responses to the recommendations of the Joint Inspection Unit (JIU), and draws attention to specific recommendations directed to the legislative organs of the United Nations system organizations. The present report focuses on the six JIU reports relevant to UNFPA issued in 2015. Of the total 40 recommendations issued, 20 are relevant to UNFPA, of which 17 recommendations are addressed to UNFPA management and 3 to the legislative organs. The present report also includes an update of the implementation status of recommendations contained in reports issued by the JIU in 2013 and 2014.

Elements of a decision

The Executive Board may wish to take note of the present report, especially those aspects of the JIU reports that have particular relevance to the work of UNFPA.

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I. Overview of Joint Inspection Unit reports and notes

1. The present report provides a summary of UNFPA management responses to recommendations issued by the Joint Inspection Unit (JIU), included in six reports which are relevant to UNFPA and were issued since the report of 2014 (DP/FPA/2015/5 (Part II). The present document includes the recommendations directed to the UNFPA governing body.

2. These reports concern the following:

(a) Evaluation of mainstreaming of full and productive employment and decent work by the United Nations system organizations (JIU/REP/2015/1);

(b) Recommendations to the General Assembly of the United Nations for the determination of parameters for a comprehensive review of United Nations system support for small island developing States (JIU/REP/2015/2);

(c) Cooperation among the United Nations regional commissions (JIU/REP/2015/3);

(d) Public information and communications policies and practices in the United Nations system (JIU/REP/2015/4);

(e) Review of activities and resources devoted to address climate change in the United Nations system organizations (JIU/REP/2015/5);

(f) Review of the organizational ombudsman services across the United Nations system (JIU/REP/2015/6).

II. Synopsis and review of relevant Joint Inspection Unit reports and recommendations

3. The management responses to the relevant recommendations in the six JIU reports, including the recommendations for consideration by the legislative body, are provided below. Annex 1 to the present report provides a statistical summary of reports that are subject to the present reporting; annex 2 and annex 3 provide information on the implementation status of recommendations issued in 2014 and 2013 respectively; annex 4 contains an overview of the recommendations pertaining to the six reports included in this report, relevant to UNFPA and directed to the governing body of UNFPA, together with the management responses; and annex 5 outlines the topics of relevance for UNFPA in the JIU work programme for 2016.

A. Evaluation of mainstreaming of full and productive employment and decent work by the United Nations system organizations (JIU/REP/2015/1)

4. The evaluation assessed how the United Nations system organizations have taken up the call from resolutions of the Economic and Social Council to mainstream decent work principles into their own strategic planning/work at various levels (inter-agency, headquarters, regional, country), with a view to using the lessons learned in finalizing the post-2015 agenda. It identified the mechanisms that are in place within the United Nations system for mainstreaming, assessed barriers to implementation and identified aspects of an enabling environment, as well as the challenges faced by the system in integrating decent work issues at different levels. The evaluation also identified successes and good practices in mainstreaming the decent work agenda into the activities of the United Nations system organizations.

5. The evaluation found that, generally, the mainstreaming of the decent work agenda into the activities of United Nations system organizations achieved moderate success. There were extensive variations among organizations, some of them demonstrating a high level of mainstreaming, whereas others had not undertaken any activities relating to decent work.

6. The JIU report contains seven recommendations, one of which is addressed to the UNFPA Executive Director (recommendation 6), asking him to identify areas where the decent work agenda can be linked to the activities of the organization and to make existing linkages more explicit. UNFPA supports the recommendation and notes that steps have already been taken to integrate the decent work agenda into the strategic plan 2014-2017.

B. Recommendations to the General Assembly of the United Nations for the determination of parameters for a comprehensive review of the United Nations system support for small island developing states (JIU/REP/2015/2)

7. In accordance with the mandate given by the General Assembly in paragraph 12 of its resolution 69/217, the JIU identified areas to be addressed in a comprehensive review to enhance coordination and strengthen overall implementation of the priority areas identified in the Small Island Developing States Accelerated Modalities of Action (SAMOA) Pathway by the United Nations system.

8. The report addressed its six recommendations to the General Assembly, indicating areas to be considered in a comprehensive review to ensure that the following issues are covered: (a) mapping the role of United Nations system organizations in providing support to small island developing States, addressing interlinkages among global mandates (sustainable development goals, climate change, disaster risk reduction, financing for development, among others) to promote the sustainable development of small island developing States; (b) assessing the Department of Economic and Social Affairs of the Secretariat and the Office of

the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the mandates of the Office of the High Representative, as well as their allocation of resources and effective coordination among them; (c) assessing the role and programmatic coordination within the departments of the United Nations Secretariat and entities such as the United Nations Conference on Trade and Development (UNCTAD), United Nations Office for Disaster Risk Reduction (UNISDR) and the regional commissions in support of small island developing States; (d) assessing the role and function of the Inter-agency Consultative Group on Small Island Developing States, chaired by the Department of Economic and Social Affairs, in fostering the implementation of the SAMOA Pathway; (e) analysing the institutional set-up to foster synergies across the United Nations system in supporting small island developing States, in line with paragraphs 122 to 124 of General Assembly resolution 69/15; and (f) strengthening coordination between the Office of the High Representative for the Least Developed Countries, Landlocked Developing Countries and Small Island Developing States and the Department of Economic and Social Affairs to increase effectiveness and improve the quality and transparency of reporting to Member States.

9. UNFPA fully endorses the findings and supports the recommendations included in the report. Although these are addressed to the General Assembly, UNFPA is committed to supporting the effort, particularly through its active participation in the relevant inter-agency body to strengthen coordination and collaboration.

C. Cooperation among the United Nations regional commissions (JIU/REP/2015/3)

10. The review assessed the relevance and effectiveness of the existing cooperation among the regional commissions and other entities of the United Nations system, especially within the framework of the Regional Coordination Mechanism, and the interface between the regional and global governance of the regional commissions. The five regional commissions play an important role in bringing together relevant United Nations system entities and non-United Nations actors for norm-setting, consensus-building and follow-up on major global initiatives, and their analytical and normative roles are perceived to be their major strengths. With the adoption of the ambitious 2030 Sustainable Development Agenda, the commissions are well placed to serve as a bridge between processes at the global, regional and national levels for implementing the 2030 Agenda and the Sustainable Development Goals.

11. However, mechanisms for mutual cooperation need improvement, and the report made several recommendations to that end. The executive secretaries of the regional commissions are advised to review the modus operandi of their meetings and interactions. The respective roles of the Regional Coordination Mechanism and United Nations Development Group regional teams need further clarification. Regular substantive and analytical reporting by the commissions to the Economic and Social Council and the General Assembly can help to improve the visibility of the regional commissions at United Nations Headquarters. The report also offered suggestions to enhance cohesion and synergies across the United Nations development pillar.

12. UNFPA, as a member of the United Nations Development Group, will support the efforts as necessary.

D. Public information and communications policies and practices in the United Nations system (JIU/REP/2015/4)

13. This system-wide review stressed that public information and communications have an important role to play in reaffirming the relevance of the United Nations system and in invigorating its credibility, image and reputation through a strategic approach to its function. It identified nine benchmarks to ensure that the public information and communications function supports organizational goals and priorities. These benchmarks focus on corporate communications strategies; access to executive managers; coherent planning and messaging;

the capacity to produce multilingual communications products or activities; and the monitoring of activities.

14. In assessing the current system-wide coordination mechanisms, the review called for the development of synergies at the principals level in the work of the United Nations Communications Group and the United Nations Development Group Communications and Advocacy Working Group. It presented the successes and challenges of local arrangements for promoting joint public information and communications among the organizations through the United Nations information centres and the local United Nations communications groups.

15. All six recommendations in the report are of relevance for UNFPA; one is addressed to the Executive Board (recommendation 1) and five to the Executive Director (recommendations 2-6).

16. UNFPA supports all recommendations; its actions are already in compliance with them: adhering to the proposed benchmarking for a more strategic public information and communication function (recommendations 1 and 2); strengthening and supporting the organizational goals and strategic priorities by promoting system-wide mechanisms and local arrangements for joint public information and communication in the United Nations system organizations (recommendations 3 and 4); and examining its policies and practices to better manage and administer the use of social media (recommendations 5 and 6).

E. Review of activities and resources devoted to address climate change in the United Nations system organizations (JIU/REP/2015/5)

17. This review involved the organizations participating in the Joint Inspection Unit, as well as a number of secretariats of environmental conventions, with particular focus on the United Nations Framework Convention on Climate Change. The total reported expenditures on climate change-related activities by the United Nations system organizations and multilateral environmental agreements amounted to $1,882 million for the biennium 2012-2013 and were projected to total $2,027 million in the biennium 2014-2015. Most of the organizations saw their contributions to climate change mitigation or adaptation as by-products of their core goals. With few exceptions, they do not have a specific methodology to track climate change-related work by types of activities and funding. The United Nations system lacks an established common methodology for identifying work according to sector and impact in addressing climate change. Such a methodology would be instrumental for enhancing coordination and fostering synergies within the United Nations system and to 'deliver as one' in preventing and combating the adverse effects of climate change.

18. Five of the six recommendations contained in the review are of relevance to UNFPA. They aim at ensuring system-wide coordination, accountability, improved information-sharing, support for technology transfer and adequate consideration of climate change issues at the country level, particularly through the inclusion of such issues in the United Nations Development Assistance Frameworks.

19. One of these five recommendations concerns the Executive Board (recommendation 2) and four the Executive Director (recommendations 1, 3, 4 and 6). The Executive Director (recommendation 1) and the Executive Board (recommendation 2) are requested to prepare, support and endorse a system-wide strategy on climate change. Furthermore, to establish a clear accountability framework for the design, implementation and monitoring of and reporting on the development of climate-change activities, the Executive Director is called upon to promote the development of common methodologies for information sharing; and to agree on measurement and monitoring tools across the system for tracking progress made on adaptation and mitigation, in accordance with the progress made under the Convention framework (recommendations 3 and 4). The last recommendation aims at ensuring the use of the United Nations Development Group guidelines for mainstreaming climate change in United Nations Development Assistance Frameworks so that the climate change dimension is

integrated explicitly and effectively into common country assessments and development plans at country and regional levels (recommendation 6).

20. UNFPA considers the global and transnational nature of climate change a near unprecedented development challenge, which requires significant cross-national and global, regional, national and subnational coordination on both adaptation and mitigation. UNFPA supports the recommendations and is working to implement them with partner organizations.

21. A central UNFPA approach at this stage has been its leadership, under the auspices of the High-level Committee for Programmes, to generate a system-wide strategy on climate change through an iterative process, beginning with global-level policy and programmatic coherence to a full, field-level implementation-focused approach. A set of principles and priorities for action, the result of an exercise co-chaired by UNFPA, was delivered to the High-level Committee for Programmes at its 31st session in March 2016. The principles and their implementation are intended to address the recommendations mentioned above.

F. Review of the organizational ombudsman services across the United Nations system (JIU/REP/2015/6)

22. The review showed that 19 of the 28 organizations participating in the JIU currently provide ombudsman services to their employees. It also indicated an insufficient level of common understanding of the role of the organizational ombudsman or the principles under which he or she operates. The review recommended including questions related to ombudsman services in staff surveys of the organizations in order to identify activities to increase staff awareness and understanding of this function. Staff members serving in headquarters offices are in a privileged position compared with their field-based colleagues, who often rely on technology to 'virtually' meet with their ombudsman, who is usually based at headquarters. The review called for a more client-oriented approach, whereby clients are given a choice of using any United Nations system organization's ombudsman residing in or visiting their location.

23. The terms of reference under which ombudsman practitioners in the United Nations system organizations operate are not comprehensive; in most cases, they are more than a decade old and thus in need of being updated and disseminated across the respective organizations. There are no harmonized procedures or standards of operational practice. As a result, reported statistics are difficult to fully compare; this suggests that an elaboration of a United Nations system harmonized case management manual might be necessary. The review recommended continuous training and the inclusion of an ombudsman certification process, and that the professionalization, accountability and appraisal of the ombudsman's performance be ensured and improved on a continuous basis through a process involving management and staff representatives.

24. The review also suggested that the legislative bodies of all organizations should provide access for ombudsmen to report to them on systemic issues so that, in the case of conflicting priorities or limited resources, Member States could articulate their main concerns and priorities. Finally, it recommended that the ombudsmen and mediators of the United Nations and related international organizations network organize a subgroup, limited to United Nations system organizations, to deal with the United Nations system-specific challenges and recommendations contained in the report.

25. All eight recommendations included in the report are of relevance for UNFPA; one is addressed to the Executive Board (recommendations 5), and seven to the Executive Director (recommendations 1-4 and 6-8).

26. UNFPA supports the recommendation to update the provisions of the terms of reference related to the establishment of the ombudsman office and its operative functions (recommendation 1), and to include relevant questions in the organization staff surveys to identify the kind of activities necessary for increasing staff awareness and understanding of the ombudsman function (recommendation 2). UNFPA is pleased to report that several

questions contained in its global staff survey address the work of the ombudsman office and informal conflict-resolution mechanisms. UNFPA would like to recommend caution regarding recommendation 3, that staff be given the choice of using an ombudsman of any United Nations system organization resident or temporarily present in their field location. The latter may not be as familiar with the policies, procedures and culture of the organization. This could potentially compromise a holistic perspective of the issues faced by the organization of which the ombudsman can bring to the Executive Head. In addition, it could encourage staff to seek biased advice and to seek the response they find most favourable; it would also cause difficulties in relation to cost sharing among organizations.

27. Regarding the formal presentation of systemic issues to the Executive Board (recommendation 5), the question to be posed is whether the organization (whether management or staff) is better served by an ombudsman who informally and confidentially raises systemic issues with the Executive Head – or by an ombudsman who formally reports to the Executive Board, with management formally replying to the Board – as is already the case for the Board of Auditors, the Office of Audit and Investigation Services, the Evaluation Office and the Ethics Office. Such a decision should be made by the Ombudsman Office and the respective legislative bodies, governed by their understanding how best to serve the organization, and should not be imposed by external bodies.

28. UNFPA prefers not to interfere in the management of the ombudsman office, which should remain independent, while considering that the recommended measures would strengthen its function: introduction of a system-wide harmonized case system (recommendation 4); importance of professional certification and training (recommendation 6); creation of a dedicated United Nations system ombudsmen group (recommendation 8).

29. UNFPA considers that the adoption of an appraisal process that includes management and staff representatives (recommendation 7) may adversely affect the independence of the ombudsman function, in reality or in perception; therefore, it would be advisable that the function devises an external review mechanism, based on quality and performance standards (similar to oversight functions like evaluation, internal audit or investigation).

III. Status of UNFPA implementation of Joint Inspection Unit recommendations issued during 2013-2014

30. In accordance with United Nations General Assembly resolution 60/258, requesting the JIU to enhance dialogue with participating organizations to strengthen the implementation of its recommendations, the JIU requested information on the follow-up to recommendations issued in 2013 and 2014. Annexes 2 and 3 of the present report provide an update of the implementation status of these recommendations.

31. Of the 41 recommendations issued by the JIU in 2014 that are relevant to and accepted by UNFPA, 18 recommendations (43 per cent) have been implemented (status by mid-February 2016). Similarly, of the 25 recommendations concerning UNFPA issued in 2013, 8 recommendations (32 per cent) have been implemented by the same date. Further details are provided in the web-based JIU follow-up system accessible to Member States.

32. UNFPA is committed to following up on the implementation of the remaining recommendations relevant to UNFPA and to continuing its contribution to the various JIU initiatives in the future.

Annex 1 – Summary of reports issued in 2015

Report symbol	Report name	Total recommendations	Relevant to UNFPA	Of which recommendations directed to the Executive Board
JIU/REP/2015/1	Evaluation of mainstreaming of full and productive employment and decent work by the United Nations system organizations	7	1	-
JIU/REP/2015/2	Recommendations to the General Assembly of the United Nations for the determination of parameters for a comprehensive review of United Nations system support for small island developing States	6	-	-
JIU/REP/2015/3	Cooperation among the United Nations regional commissions	7	-	-
JIU/REP/2015/4	Public information and communications policies and practices in the United Nations system	6	6	1
JIU/REP/2015/5	Review of activities and resources devoted to address climate change in the United Nations system organizations	6	5	1
JIU/REP/2015/6	Review of the organizational ombudsman services across the United Nations system	8	8	1
Total for 2015		**40**	**20**	**3**

The following JIU management letter, relevant to UNFPA, was received in 2015; however, it did not contain any specific recommendations:

JIU/ML/2015/6 - Management letters on assessment of post-award contract management processes in 14 United Nations system organizations.

Annex 2 – Status of implementation of JIU recommendations issued in 2014 as of mid-February 2016

Report symbol	Report title	Total recommen-dations	Relevant to UNFPA	*Of which to governing bodies*	Implementation status of UNFPA relevant recommendations		
					Not accepted/ under considera-tion	Imple-mented	In progress/ to be started
JIU/REP/2014/1	An analysis of the resource mobilization within the United Nations system	5	4	*2*	1	2	1
JIU/REP/2014/4	Post Rio+20 review of the environmental governance within the United Nations system	13	3	-	-	-	3
JIU/REP/2014/6	Analysis of the evaluation function in the United Nations system	9	7	*2*	-	4	3
JIU/REP/2014/8	Use of non-staff personnel and related contractual modalities in the United Nations system organizations	13	12	*1*	3	6	3
JIU/REP/2014/9	Contract management and administration in the United Nations system	12	11	*2*	-	5	6
JIU/NOTE/2014/1	Use of retirees and staff retained beyond the mandatory age of separation at United Nations organizations	5	4	-	3	1	-
Total for 2014		**57**	**41**	*7*	**7**	**18**	**16**

The following JIU reports and notes issued in 2014 are not relevant to UNFPA:

JIU/REP/2014/2 - Review of management and administration in the World Intellectual Property Organization;

JIU/REP/2014/5 - Follow up inspection of the 2009 review of management and administration in the World Tourism Organization;

JIU/REP/2014/7 - Review of management and administration of the office of the United Nations High Commissioner for Human Rights.

The following JIU study was completed and relevant to UNFPA; however, it did not contain any specific recommendations:

JIU/REP/2014/3 - Capital/refurbishment/construction projects across the United Nations system.

Annex 3 - Status of implementation of JIU recommendations issued in 2013

Report symbol	Report title	Total recommen-dations	Relevant to UNFPA	*Of which to governing bodies*	Implementation status of UNFPA relevant recommendations		
					Not accepted/ not relevant	Imple-mented	In progress/ to be started
JIU/REP/2013/1	Review of long-term agreements in procurement in the United Nations system	5	5	*1*	-	2	3
JIU/REP/2013/2	Records and archives management in the United Nations	6	6	*1*	1	-	5
JIU/REP/2013/3	Selection and appointment process of the United Nations Resident Coordinators, including preparation, training and support provided for their work	3	2	-	1	-	1
JIU/REP/2013/4	Review of the management of implementing partners in United Nations system organizations	12	11	*2*	1	6	4
JIU/NOTE/2013/1	Reference checks in the United Nations system organizations	2	1	-	-	-	1
Total for 2013		**28**	**25**	***4***	**3**	**8**	**14**

as of mid-February 2016

The following JIU reports issued in 2013 are not relevant to UNFPA:

JIU/NOTE/2013/2 - Review of management and administration in the Economic Commission for Latin America and the Caribbean.

The following JIU study was completed and relevant to UNFPA; however, it did not contain any specific recommendations:

Feasibility study on the review of safety and security in the United Nations system organizations.

Annex 4 – Review of relevant Joint Inspection Unit recommendations in 2015 for consideration by the Executive Board

Recommendations	Management comments
JIU/REP/2015/4 Public information and communications policies and practices in the United Nations system	
# 1: The legislative/governing bodies of the United Nations system organizations should request the executive heads to embrace the nine benchmarks proposed in the present report, in order to enhance the strategic role of the public information and communications function in contributing to the achievement of organizational goals and priorities, thereby promoting global support for their organization.	Supported.
JIU/REP/2015/5 Review of activities and resources devoted to address climate change in the United Nations system organizations	
# 2: The governing bodies of the United Nations organizations should support and endorse the participation of their respective organizations involved in cross-cutting areas directly or indirectly related to climate change, in a system-wide United Nations strategy to combat climate change, in a manner consistent with the outcome of the twenty-first session of the Conference of the Parties to the United Nations Framework Convention on Climate Change (COP21)	Supported.
JIU/REP/2015/6 Review of the organizational ombudsman services across the United Nations system	
# 5: The legislative bodies of the United Nations system organizations should make it possible for the ombudsman to report to them on systemic issues identified on a regular basis.	Supported.

Annex 5 – Programme of work of the Joint Inspection Unit for 2016 as related to UNFPA

Following system-wide consultations and suggestions, the JIU identified seven new topics in its Programme of Work for 2016. Of these, all but two are of interest to UNFPA and will be actively supported. The list is included below.

Item	Title	Type
1.	Review of administrative services delivery in selected United Nations system organizations	Several organizations
2.	Review of knowledge management in the United Nations system	System-wide
3.	Donor-led accountability and oversight reviews in United Nations system organizations	System-wide
4.	Comprehensive review of United Nations system support for small island developing States: final findings	System-wide
5.	Review of travel policies in the United Nations system	System-wide

Summaries of projects in the programme of work 2016

1. Review of administrative services delivery in selected United Nations system organizations

Organizations apply various strategies, such as cooperation at the country level to reduce the duplication of functions and consolidate support services through a range of options; internal consolidation and reorganization; re-engineering of business processes; and the grouping of certain functions in regional or global services centres. The request by the General Assembly in its resolution 70/248 that the Secretary-General submit a refined and detailed proposal on a global service delivery model further illustrates the ongoing interest in this matter. The JIU will review the experiences and approaches taken by a select group of participating organizations in their efforts to redesign business processes for carrying out administrative services. The review will focus on the roles of service centres, inter-agency harmonization and consolidation and the administration of personnel matters.

2. Review of knowledge management in the United Nations system

By building on previous reports produced by the JIU, the review will undertake a comparative analysis of knowledge management policies and related practices across the United Nations system. In addition to sharing good practices, it aims to identify enabling factors for the effective implementation of knowledge management policies and possible ways to harmonize them. Furthermore, an analysis will be conducted on the key components of the regulatory frameworks and procedures, as well as the organizational culture and the capacity to adapt to the dynamics of information and communication technologies. A special emphasis will be placed on knowledge management as a way to contribute to the enhancement of operational effectiveness.

3. Donor-led accountability and oversight reviews in United Nations system organizations

Donor funding has become essential for most United Nations system organizations in pursuing their mandates. In transferring funds to the United Nations system, donors are increasingly undertaking their own oversight reviews of United Nations programmes to ensure that funds are being used efficiently and for the intended purposes, according to expected levels of accountability. These reviews are in addition to the assurance provided by the existing

oversight and accountability architecture of the United Nations system comprising internal oversight offices, external auditors, and other accountability mechanisms. This report will focus, among other things, on the nature, extent and reasons for donor-led reviews, the degree to which donor accountability requirements may be satisfied through existing oversight processes and how additional requirements could more effectively be planned, coordinated and budgeted to achieve the objectives of all stakeholders.

4. Comprehensive review of United Nations system support for small island developing states: final findings

The review will focus on the overall system-wide support to small island developing States, covering funds and programmes, specialized agencies and IAEA, as well as some secretariats of environmental conventions. The results of the comprehensive review will be included as an addendum to the report of the Secretary-General on small island developing States, as requested in resolutions 69/288 and 70/202.

5. Review of travel policies in the United Nations system

Travel is the second largest expense in the United Nations system organizations, after staff costs. As such, in various resolutions, the General Assembly has repeatedly stressed the importance of taking practical measures for more effective and efficient use of air travel resources of the organizations. This requires taking stock of existing travel policies, with a view to identifying savings and efficiency measures. Moreover, the study complements the 2010 JIU report entitled "Review of travel arrangements within the United Nations system" (A/65/338), which focuses on travel policies, standards and areas where system-wide harmonization could take place, as well as measures to rationalize travel costs.